

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 4
Mtg. Date September 2, 2014
Dept. City Manager's Office

Item Title: City Facilities Deferred Maintenance Priorities

Staff Contact: Mike James, Public Works Director

Recommendation:

Based on an analysis of City facility deficiencies, authorize staff to initiate roof/HVAC repairs at the Senior Center.

Item Summary:

During the Fiscal Year 2014-2015 (FY 2014-15) budget discussions, the topic of deferred maintenance of City facilities was addressed. During the discussion, it was recommended that staff return to the City Council after all Fiscal Year 2013-14 revenue was recorded to further discuss the priorities of repairs to City facilities. The staff report (**Attachment A**) addresses additional surplus funds recorded in FY 2013-14, provides an analysis of critical deficiencies of City facilities, and recommendations for repairs.

Fiscal Impact:

The recommended repairs total \$110,000. Staff recommends using a combination of unbudgeted rental income in Fiscal Year 2014-15 and additional surplus funds from Fiscal Year 2013-14.

Environmental Review:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section [] | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

A. Staff Report

Attachment A

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 4

Mtg. Date September 2, 2014

Item Title: **City Facilities Deferred Maintenance Priorities**

Staff Contact: Mike James, Public Works Director

Discussion:

During the Fiscal Year 2014-2015 (FY 2014-15) budget discussions, the topic of deferred maintenance of City facilities was addressed. During the discussion, it was recommended that staff return to the City Council after all FY 2013-14 revenue was recorded to further discuss the priorities of repairs to City facilities.

FY 2013-14 General Fund Surplus

When staff presented the final budget for City Council consideration on June 3, 2014, it was projected that the City would have a General Fund surplus of approximately \$208,000 for FY 2013-14. After most income and invoices have been recorded for FY 2013-14, the actual General Fund surplus is \$525,000—this is \$317,000 more than anticipated. This revised surplus figure results in a total General Fund Reserve of \$3.32 million or 29.8 percent of expenditures in FY 2014-15. This additional budget surplus for FY 2013-14 will be reflected in the mid-year budget presented in late January or early February 2015.

Critical Deficiencies of City Facilities

During the budget discussions earlier this year, staff identified five critical or nearing critical City facility deficiencies. During the discussions, the City Council asked that staff provide additional information on the potential repair sites. Staff conducted further investigation of the deficiencies and prepared the following analysis:

Facility	Age (years)	Expected Lifecycle (years)	Current Condition	Estimated Repair/ Replacement Cost
Senior Center Roof – Front Bldg	26	20	Failing	\$45,000
Senior Center HVAC (2) – Front Bldg	26	15	Failing/Good	\$15,000
Senior Center Roof – Rear Bldg	26	20	Poor	\$55,000
City Hall/Sheriff Roof	22	18	Poor	\$95,000
City Hall Carpet (1 st Floor)	30/17	20	Fair/Poor	\$50,000

Of the critical repairs required, the roof on the front building of the Senior Center has the greatest need. Spanning over 5,000 square feet, the roof has numerous locations with blisters, ridges, splits, exposed felt, signs of ponding, and perimeter flashing deterioration. A delay in these repairs will create the need for additional repairs to the structure of the Senior Center as well as disrupting the two tenants at the location. If the roof repair were to occur, it is also necessary to replace one of the two HVAC units on the front building of the Senior Center—one of the units no longer functions and the other unit is in good condition.

Attachment A

The roof on the rear building of the Senior Center has the next greatest need for repairs. Although it is in slightly better condition than the front building roof, it is showing signs of rapid deterioration. This roof could easily be categorized as failing in the next two years.

The roof at City Hall/Sheriff Station is in poor condition. Staff explored two repair options for this roof—install a third layer of roofing material over the existing two layers or remove the existing layers of shingles and re-roof. After consulting with a contractor, staff determined that the first repair option is not viable. Staff believes that there are another two years of life in the roof before its condition is downgraded to failing.

The carpet at City Hall has mixed conditions. The carpet on the second floor is in good condition, while the carpet in most offices on the first floor and in the lobby/front counter area is in fair condition. However, the carpet in the hallways is in poor condition, being held with duct tape in 19 locations. Based on staff's analysis, it would recommend replacing all the carpet in the hallways and first floor offices and installing laminate flooring material in the lobby/front counter area.

Other City facilities—Community Center, Recreation Center, and Annex—are in good to fair condition at this time. The only recommendation for repairs to these buildings is the replacement of the Community Center's front doors (an approximate cost of \$15,000).

Repair Recommendations

Based on the analysis of deferred maintenance priorities, staff recommends that the City repair both roof sections of the Senior Center in FY 2014-15. Staff has determined that each repair, if performed as two separate projects, would cost a total of \$100,000. It is estimated that if both repairs were completed at the same time, the cost would be reduced by approximately 5 percent (a savings of \$5,000). While repairing the roof, it would be necessary to replace one of the HVAC units—a cost of \$15,000). The total cost of the Senior Center repair project would be approximately \$110,000. Staff discussed partnership opportunities with several roofing and HVAC contractors and they suggested that it be included as an item as part of the bid process.

Staff recommends immediately funding the Senior Center roof projects with the additional revenue obtained by the City through the Red Cross WIC tenant (\$45,000) and the remainder with additional General Fund surplus from the FY 2013-14 budget (\$65,000).

The other projects on the critical deficiencies list should be, at a minimum, considered at the mid-year budget as projects to consider either this current fiscal year or next.

Conclusion:

Staff recommends that based on the analysis of facility deficiencies, the City Council authorize staff to initiate roof/HVAC repairs at the Senior Center. If the City Council approves the repair project, the repairs will be reflected in the FY 2014-15 mid-year budget.